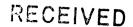
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Docket No.

RE-00000C-00-0377





City of Flagsta

JOSEPH C. DONALDSON MAYOR

February 5, 2004

Director Michael Kearns AZ Corporation Commission 1200 West Washington Phoenix AZ 85007-2996

RECEIVED

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ACCT./PERS. ARIZONA CORPORATION COMMISSION

Dear Mr. Kearns,

Attached is a Resolution recently unanimously passed by the Flagstaff City Council in support of Biomass energy. This matter is of primary importance to our community.

Unhealthy forests, as evidenced by insect epidemics, and impacted by an on-going drought, are at major risk of catastrophic wildfire. This, in turn, is a direct threat to at-risk communities throughout our State.

We urge the Corporation Commission to take appropriate action to ensure biomass energy has its rightful place in the State's renewable energy component of the Environmental Portfolio Standard (EPS). This includes:

- 1. A permanent and indefinite extension of the EPS,
- The expansion of renewable energy above the current standard, and
- The development of necessary rules and regulations required to advance this industry within the State.

Since 1996, we have taken an active and leading role in the protection of our community through implementation of forest treatments designed to reduce wildfire risk and improve forest health. We have forged new partnerships with many agencies and organizations in our area as we work across jurisdictional boundary lines to ensure needed action is taken. The role of the Arizona Corporation Commission in promoting biomass energy is critical to addressing this issue, and we look forward to working with you on this matter.

Sincerely,

Joseph C. Donaldson, Mayor

dity of Flagstaff

JCD/lm

Attachment

Dave Wilcox, City Manager C: Mike Iacona, Fire Chief Jim Wheeler, Fire Marshal

Arizona Corporation Commission

DOCKETED

FEB 0 9 2004

DOCKETED BY





RESOLUTION NO. 2004-12

A RESOLUTION FOR THE ARIZONA CORPORATION COMMISSION IN SUPPORT FOR BIOMASS ENERGY.

WHEREAS, the Arizona Corporation Commission has requested that interested entities show support for biomass energy plants, the adoption of an indefinite extension of the Arizona Environmental Portfolio Standards (EPS) beyond the current sunset date of 2012, and the development of rules and regulations necessary to advance the framework for a biomass energy industry in the State of Arizona; and

WHEREAS, the City of Flagstaff, hereinafter referred to as "City," recognizes the poor health of area forests, as evidenced by the probability of catastrophic wildfire; and

WHEREAS, the City and our forests are in the midst of a continuing drought and on-going insect epidemic; and

WHEREAS, the City understands community values-at-risk include homes and infrastructure, public health and peace-of-mind, safety of citizens, residents, and firefighters, business and financial interests, recreational opportunities, watershed values, scenic quality, emotional/spiritual attachments, and wildlife habitat; and

WHEREAS, a healthy forest is critical to the health of our community; and

WHEREAS, renewable energy is both a practical and achievable goal; and

WHEREAS, the City wishes to act in concert with others throughout the State; and

WHEREAS, adoption of this resolution demonstrates leadership, focuses attention on the problem, promotes efforts to address

the issue, and supports the on-going efforts of the both the City and our partners to resolve this problem;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FLAGSTAFF AS FOLLOWS:

SECTION 1: That the Mayor and the Council of the City of Flagstaff urge the Arizona Corporation Commission to:

- (1) Support the effort to provide for a portion of Arizona's renewable energy to come from biomass (wood and wood waste products) energy;
- (2) Extend the Arizona Environmental Portfolio Standard (EPS) beyond the current sunset date of 2012;
- (3) Consider expansion of the renewable energy requirement above the current standard; and
- (4) Develop other rules and regulations necessary to advance the framework for a biomass energy industry in the State of Arizona.

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PASSED AND ADOPTED by the Council and approved by the Mayor of the City of Flagstaff, this 3rd day of February, 2004.

ATTEST:

APPROVED AS TO FORM:

TITY ATTORNEY